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R-341

March 1, 2019

Bureau of Land Management  
Farmington Resource Area  
6251 College Blvd., Suite A  
Farmington, NM 87402

Commissioner of Public Lands  
State of New Mexico  
P. O. Box 1148  
Santa Fe, NM 87501-1148

Oil Conservation Division  
State of New Mexico  
1220 S. Saint Francis Drive  
Santa Fe, NM 87505

**2019 PLAN OF DEVELOPMENT  
FOR THE SAN JUAN 29-4 UNIT  
NO. 14-08-001-1055  
RIO ARRIBA COUNTY, NEW MEXICO**

Pursuant to Section 10 of the San Juan 29-4 Unit Agreement, Hilcorp Energy Company (“Hilcorp”), as Unit Operator, hereby submits the proposed 2019 Plan of Development and Operations (“POD”).

**I. PERIOD**

This plan will be effective from April 1, 2019 through March 31, 2020. The 2020 Plan will be submitted on or before March 1, 2020.

**II. 2018 PLAN REVIEW OF OPERATIONS**

**A. Production History:** During 2018, cumulative production from the San Juan 29-4 Unit was .08 BCF gas; 0 MBO oil; and .4 MBW produced water. Refer to Exhibit A attached for a listing of all wells in the San Juan 29-4 Unit.

**B. Participating Areas:** The Participating Areas currently established in the San Juan 29-4 Unit are as follows:

| FORMATION       | EXPANSION | EFFECTIVE DATE |
|-----------------|-----------|----------------|
| MESAVERDE       | 004       | 01-AUG-78      |
| PICTURED CLIFFS | 008       | 01-NOV-05      |

**C.** The 2018 POD, as approved, provided for no drilling activity. No additional drilling projects were undertaken by Hilcorp during this period.

**D. Workovers/Recompletion Program:** During 2018, Hilcorp did not undertake or completed any projects in the 28-4 Unit.

| Well Name | API | Sec. | Twp | Rng | Formation | Type |
|-----------|-----|------|-----|-----|-----------|------|
|           |     |      |     |     |           |      |

**E. Facility Program:** The 2018 POD, as approved, provided for no additional facilities. No additional facility projects were undertaken by Hilcorp during this period.

**F. Plugging & Abandonment Program:** The 2018 POD, as approved, provided for no activity. No additional projects were undertaken by Hilcorp during the 2018 period.

### III. 2019 PLAN OF DEVELOPMENT AND OPERATIONS

A summary of key activities planned for 2019 includes:

**A. Drilling Program:** Hilcorp does not anticipate drilling any new wells in the San Juan 29-4 Unit during 2019. However, new drill opportunities will be evaluated and executed as they arise.

**B. Workovers/Recompletion Program:** Hilcorp anticipates at least one (1) recompletion projects in the Unit during 2019, summarized in the table below. Additional workovers, rate adds and optimization projects will be evaluated and executed as they arise.

| Well Name                | API        | Sec. | Twp  | Rng  | Formation          | Type                     |
|--------------------------|------------|------|------|------|--------------------|--------------------------|
| SAN JUAN 29-4<br>UNIT 18 | 3003907499 | 33   | 029N | 004W | PICTURED<br>CLIFFS | RECOMPLETE-<br>COMMINGLE |

**A. Facility Program:** Throughout 2019, Hilcorp will conduct routine repairs and replacement of facilities required to maintain and increase field production, including construction of additional gas lift lines and/or gas flow lines, expansion of production facilities (including electrical and piping upgrades), and construction of additional water disposal, injection or processing equipment.

**B. Plugging & Abandonment Program:** Hilcorp does not anticipate plugging/abandoning any wells in the Unit at this time. Hilcorp will evaluate and implement additional P&A projects as they arise.

In accordance to Section 10 of the Unit Agreement, please provide your approvals by executing and returning a copy of this letter to the undersigned.

San Juan 29-4 Unit  
2019 Plan of Development

Please contact me at (832) 839-4601 if there are any questions regarding this letter.

Sincerely,  
HILCORP ENERGY COMPANY



Chuck Creekmore,  
Division Landman

*cc: Working Interest Owners*

*CRITCHFIELD SANTA FE LLC*

*CROSS TIMBERS ENERGY LLC*

*DUGAN PRODUCTION CORP*

*HILCORP SAN JUAN, LP*

*JABCO LLP*

*LANGDON D HARRISON REVOC TRUST B*

*MAR OIL & GAS CORPORATION*

*NAVATEX ENERGY LP*

*PROVIDENCE MINERALS LLC*

*RIO ARIBAGAS LTD*

*RIO ARRIBA LIMITED PARTNERSHIP*

*ROY G & OPAL BARTON SR REV TR*

*RUTH ZIMMERMAN TRUST*

*THOMAS P TINNIN*

*TINMIL A NM LLC*

**SAN JUAN 29-4 UNIT  
2019 PLAN OF DEVELOPMENT APPROVALS**

\_\_\_\_\_  
**Bureau of Land Management**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**New Mexico Oil Conservation Division**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**New Mexico Commissioner of Public Lands**

\_\_\_\_\_  
**Date**



### San Juan 29-4 Unit Exhibit "A"

| API #      | WELL NAME                 | POOL/FORMATION               | STATUS         | ST | COUNTY     | SEC | TWP  | RGE  | QTR  | OPERATOR               |
|------------|---------------------------|------------------------------|----------------|----|------------|-----|------|------|------|------------------------|
| 3003907534 | San Juan 29-4 Unit 001    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 30  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907489 | San Juan 29-4 Unit 002    | Choza Mesa Pictured Cliffs   | Perm Abandoned | NM | Rio Arriba | 35  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907568 | San Juan 29-4 Unit 003    | Unk Pictured Cliffs          | Perm Abandoned | NM | Rio Arriba | 22  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907648 | San Juan 29-4 Unit 006    | Unk Mesaverde                | Perm Abandoned | NM | Rio Arriba | 10  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907679 | San Juan 29-4 Unit 007    | Blanco East Pictured Cli     | Perm Abandoned | NM | Rio Arriba | 8   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907679 | San Juan 29-4 Unit 007    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 8   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907494 | San Juan 29-4 Unit 008    | Unk Mesaverde                | Perm Abandoned | NM | Rio Arriba | 34  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907711 | San Juan 29-4 Unit 009    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 3   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907488 | San Juan 29-4 Unit 010    | Unk Pictured Cliffs          | Perm Abandoned | NM | Rio Arriba | 36  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907690 | San Juan 29-4 Unit 011    | Blanco East Pictured Cli     | Perm Abandoned | NM | Rio Arriba | 6   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907638 | San Juan 29-4 Unit 012    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 18  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907548 | San Juan 29-4 Unit 013    | Unk Mesaverde                | Perm Abandoned | NM | Rio Arriba | 29  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907511 | San Juan 29-4 Unit 014    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 31  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907512 | San Juan 29-4 Unit 016    | Choza Mesa Pictured Cliffs   | Perm Abandoned | NM | Rio Arriba | 36  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003907499 | San Juan 29-4 Unit 018    | Blanco-Mesaverde             | Flowing        | NM | Rio Arriba | 33  | 029N | 033W | SENE | Hilcorp Energy Company |
| 3003921453 | San Juan 29-4 Unit 021    | Blanco East Pictured Cli     | Perm Abandoned | NM | Rio Arriba | 5   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003921453 | San Juan 29-4 Unit 021    | Blanco Mesaverde             | Perm Abandoned | NM | Rio Arriba | 5   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003921844 | San Juan 29-4 Unit 022    | Blanco Pictured Cliffs       | Perm Abandoned | NM | Rio Arriba | 9   | 029N | 04W  |      | Hilcorp Energy Company |
| 3003921845 | San Juan 29-4 Unit 023    | Choza Mesa Pictured Cliffs   | Perm Abandoned | NM | Rio Arriba | 15  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003922844 | San Juan 29-4 Unit 024    | Wildcat;29N4W8b-Gallup       | Flowing        | NM | Rio Arriba | 8   | 029N | 004W | NWNE | Hilcorp Energy Company |
| 3003922844 | San Juan 29-4 Unit 024    | Blanco Pictured Cliffs, East | Flowing        | NM | Rio Arriba | 8   | 029N | 004W | NWNE | Hilcorp Energy Company |
| 3003927753 | San Juan 29-4 Unit 025    | Gobernador Pictured Cliffs   | Flowing        | NM | Rio Arriba | 30  | 029N | 030W | SENE | Hilcorp Energy Company |
| 3003925372 | San Juan 29-4 Unit 201    | Gobernador Pictured Cliffs   | Flowing        | NM | Rio Arriba | 31  | 029N | 031W | NENE | Hilcorp Energy Company |
| 3003925372 | San Juan 29-4 Unit 201    | Basin Fruitland Coal         | Flowing        | NM | Rio Arriba | 31  | 029N | 031W | NENE | Hilcorp Energy Company |
| 3003907508 | San Juan 29-4 Unit NP 004 | Choza Mesa Pictured Cliffs   | Perm Abandoned | NM | Rio Arriba | 35  | 029N | 04W  |      | Hilcorp Energy Company |
| 3003925288 | San Juan 29-4 Unit NP 200 | Gobernador Pictured Cliffs   | Flowing        | NM | Rio Arriba | 30  | 029N | 030W | NESW | Hilcorp Energy Company |
| 3003925288 | San Juan 29-4 Unit NP 200 | Basin Fruitland Coal         | Flowing        | NM | Rio Arriba | 30  | 029N | 030W | NESW | Hilcorp Energy Company |

